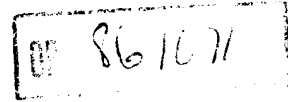


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MEMORANDUM FOR: Director of Congressional Affairs

25X1 ATTENTION:

Legislation Division, Office of
Congressional Affairs

FROM: Robert W. Magee
Director of Personnel

SUBJECT: OPM Draft Bill to Reform Civil Service
Retirement System

REFERENCE: Memo to D/OP from LD/CA, dtd 13 Mar 86,
Same Subject (OCA 86-0751/1)

1. This is in response to reference which requested CIA's views on the Office of Personnel Management's (OPM) draft bill to reform the existing Civil Service Retirement System (CSRS). I recommend the following be incorporated into the Agency's response to the Office of Management and Budget.

2. In reviewing the draft bill we find it substantively similar to last year's proposal. Thus our response remains as that provided last year in the two letters to the Director, Office of Management and Budget from the Director of Central Intelligence (DCI). For your convenience and reference, I have attached both of these letters dated 11 and 18 March 1985. Essentially, the Agency uses its retirement systems as a vital management tool to ensure that we recruit, retain, and manage the young vigorous cadre that is necessary to meet the time and pressure sensitive demands of our foreign intelligence mission. Retention of retirement at age 50 for those officers qualifying for CIA Retirement and Disability System (CIARDS) participation is essential. We trust that the conclusions and agreements reached last year on the necessity for the CIARDS retirement age of 50 for unreduced benefits remain equally valid this year.

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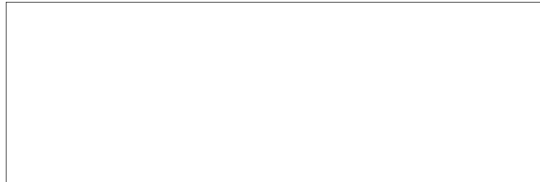
SECRET

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Retirement System

3. At the same time, we continue to maintain that the CSRS retirement age of 55 with unreduced benefits should continue to be applicable to our non-CIARDS type employees. As stated by the DCI in last year's correspondence, the special requirements and mission of the CIA involve all of its employees in a number of ways unique to the Government. The Congress mandated special status for CIA employees and its impact on all in the CIA is the basis for a personnel system, different than any other Agency--from recruitment to retirement. While a five year difference in retirement age between those in CIARDS and those in CSRS is manageable, a twelve-year difference would be severely damaging to our ability to meet our personnel requirements and to fulfill our mission. Such a situation would shatter the existing Agency culture and risk paralyzing a workforce which to be effective must be treated equitably if we are to maintain our security and cover commitments.

5. We, therefore, maintain that all CIA employees should be included in the special groups exempted in Paragraph 4 of Section 2 of the proposed legislation.

25X1



Robert W. Magee

Attachment:
a/s

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